



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
LANSING

JANET OLSZEWSKI
DIRECTOR

September 18, 2007

Dear Administrator:

Enclosed is an agreement which, if signed, would tentatively establish your facility as a Continuing Care Retirement Center (CCRC). As a CCRC, this facility would be exempt from the Michigan Medicaid Quality Assurance Assessment Program (QAAP) effective October 1, 2007.

Your facility is receiving this letter because it was identified as a CCRC when this policy was developed. If, after reviewing the conditions presented in the attached agreement, you determine that your facility does not qualify as a CCRC, please notify Robert Orme at (517) 241-9128. There will be no penalty associated with updating your status.

If your facility meets these qualifications and should be exempted from the QAAP, please return a signed and dated copy of the enclosed agreement by October 15, 2007 by fax or mail to:

Michigan Department of Community Health
Medical Services Administration, Actuarial Division
Attn: Robert Orme
PO Box 400
Lansing, Michigan 48909

Fax: (517) 241-5112

The client roster and life care agreement information may be mailed under separate cover, but must be received within 30 days of receipt by MDCH the attached agreement.

Your cooperation will be very much appreciated.

Sincerely,

Paul Reinhart, Director
Medical Services Administration

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
CONTINUING CARE RETIREMENT CENTER
PARTNERSHIP AGREEMENT**

The _____ facility was identified to the Michigan Department of Community Health (MDCH) as interested in participating as a Continuing Care Retirement Center (CCRC) provider in Michigan. At this time, our goal is to determine if your facility is still interested and whether your facility is preliminarily eligible to participate as a CCRC.

Continuing Care Retirement Centers pursuant Public Act PA 368 of 2005 13(c)(ii) are defined as nursing care facilities that meet the following four pronged test and as a result may be exempt from Michigan Quality Assurance Assessment Program (QAAP) as of October 1, 2007. The four conditions are:

- CCRCs are nursing care facilities that provide independent living, assisted living (housing with services) and nursing care and medical treatment all on a common campus-like setting;
- Every resident on the campus and nursing facility is included in the calculation of the CCRC's life interest average payment;
- These life interest payments average \$150,000 or more per resident;
- The CCRC utilizes all of the initial life interest payment before the resident become eligible for medical assistance under the state's Medicaid plan.

For clarity sake, any individual who resides on the campus, whether it be independent living, assisted living, or nursing resident, is included in the denominator of the CCRC's average life interest payment. Divide the sum of total life interest payments paid to your organization by all center residents, regardless of whether they have paid a life interest payment. If that number is equal to \$150,000 or more, MDCH will process your exemption from the QAAP.

This attestation is a preliminary process and the CCRC status of a facility may be subject to verification. MDCH may request documentation or additional information to verify compliance with each of the four conditions. Failure to comply with any verification activity will result in the termination of CCRC status and QAAP assessment will be collected to the date of the initial request for information. Please be aware that if review determines that these conditions are not met, or if you feel you no longer meet each of these four conditions, it is your responsibility to notify MDCH. Providers will be responsible for any QAAP assessment from the date that CCRC status was no longer in effect after October 1, 2007.

The following are requirements to participate as a CCRC:

- A signed and dated CCRC attestation stating your desire and eligibility to participate as a CCRC;
- A roster of all residents as of September 1, 2007 and a copy of each life interest agreement being used by your facility.

If you use a standardized life interest agreement, a roster including date life interest payment was received and the amount of the life interest payment for each resident is acceptable. For every resident that will be reimbursed by Medicaid after October 1, 2007, we will require that a patient card (statement of account) be provided upon request to document patient's utilization of their life interest payment prior to being reimbursed by the State's Medicaid program.

I HEREBY CERTIFY that I have read the above statement and I agree that this facility complies with all requirements as noted.

Name and Title (PRINT)

Facility Name

Date

Signature